

Administrative Conference of the United States (“ACUS”) Small Claims Patent Court Study.

Comments by S. Edward Neister, a US Inventor of multiple patents

1. In my opinion, Congress and the USPTO broke the patent system with the 2011 AIA act and the installation of the PTAB. Instead of a patent having the rights that are similar to a property deed or a house mortgage, it has been turned into something much worse than a ‘worthless piece of paper’. The US Patent award must be fixed. My story:
 - a. I started work in 1998-99 on a more effective light that could provide a safe means for disinfection of viruses and bacteria with people present. I was awarded the first of six patents involving over 10 years ago but have not been able to find investors that will help finance my company’s growth.
 - b. When one patent covered a product that had high market and sales value, Chinese companies began making and selling inferior products into the US that directly contravened this patent.
 - c. I saw two large US companies promised first to not contravene the patent, but then started selling competitive products using the Chinese lower price products that were inferior to mine.
 - i. I could not afford to take them to court to stop their insult. There is currently no injunctive relief available without costing high court fees.
 - d. Then, 3 US companies with a \$1 Billion Japanese firm sued via the PTAB two of my patents pertaining to this new product.
 - i. This PTAB process created 3 US companies selling contravening cheap copy products made by Chinese firms against a US Inventor.
 - ii. It is obvious that US patents have become easy prey for foreign firms that know they cannot be stopped.
 1. The high sales volume makes it lucrative to contravene. Claims are not small claims when the volume is worldwide.
 2. There is no fear of being stopped since fees quickly mount to millions of dollars.
 3. Potential royalty claims generally are NOT small, but the US company is a startup and is generally small entity.
 - e. The first patent received a rejection by the PTAB administrative tribunal 2 weeks ago.
 - i. The tribunal were not experts and simply disagreed with my attorney’s logic leaving no recourse but to go to an IPR trial that will cost an estimated \$500,000. The use of ‘Obviousness’ must be better defined in order to eliminate individual interpretation.
 - ii. This provided an easy means for the US Tribunal to reject a US inventor on a case financed in part by a huge Japanese firm and supported by US companies that did not care about protecting ‘made in America’ products.

